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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
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DENVER, CO 80202-2466

Ref: 8EPR-EP

DEC 8 1998

Robert L. Storch
Forest Supervisor
U.S. Forest Service
Grand Mesa, Uncompahgre, and Gunnison National Forests
1760 E. Grand - P.O. Box 388
Norwood, CO 81423

RE: Telluride Draft Supplement
Telluride Ski Area Expansion

Dear Mr. Storch:

We have reviewed the referenced Draft Supplement to the Final Environmental Impact Statement (DSFEIS) for the Telluride Ski Area under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act (CAA). Moreover, we are providing comments on issues related to the DSFEIS and the Consent Decree entered for the related Clean Water Act (CWA) judicial enforcement case, U.S. v. The Telluride Company, et.al (Civil Action No. 93-K-2181) as its requirements are binding on the project proponent, the Telluride Ski and Golf Company (Telski). Please consider the issues and concerns raised in these comments in determining compliance of the proposed project with NEPA and relevant portions of the CWA and CAA.

The Environmental Protection Agency (EPA) commends the Forest Service for its support of the San Miguel Watershed Coalition and the Source Water Protection efforts as they relate directly or indirectly to the full environmental analysis of the aquatic resource of the expansion area. With this effort, we believe a more complete documentation of the affected environment has been achieved in this project area and will result in better decision making at the federal, state, and local levels.

As you are aware, several significant environmental studies and activities have occurred since the Final Environmental Impact Statement (FEIS) was issued. The Environmental Protection Agency (EPA) is concerned about the impacts of proposed ski area expansion in light of recent scientific findings and this new information on the aquatic health of the aquatic resources in the Prospect Creek basin. These studies show that the aquatic resource appears to be highly impacted from air deposition, and that future disturbances from ski area development may have an additive and significant cumulative adverse environmental impact.

New ecological data contained in a report prepared by the University of Colorado Institute for Arctic and Alpine Research (INSTAAR), as well as site-specific wetlands analysis and on-going watershed activities, are relevant to future NEPA documentation permit decisions. Though commendably considered in the DSFEIS, this new information needs to be considered further, prior to any final permit decisions on the ski area expansion.

We believe that the impacts from the proposed ski area expansion should be further minimized and other alternatives analyzed in view of this new information, and as a result of the binding requirements of the consent decree. We recommend that the Forest Service include, as new information, the Consent Decree as an appendix to future NEPA documentation for public disclosure purposes. Further, we believe that through working with the Forest Service and Telski, a less damaging alternative can be developed that provides for additional ski area capacity with fewer environmental impacts.

Our review and comments concentrate on direct, indirect, and cumulative adverse impacts to the aquatic resources resulting from the project components potentially authorized under the Final ROD. We have concerns about air quality, and water quality and quantity, resulting from proposed snow making, which would reduce flows in Prospect Creek and the San Miguel River and increase heavy metal concentrations in the San Miguel River (a CWA §303(d) listed river) by reducing dilution flows. These impacts need to be fully evaluated and mitigation plans developed, coordinated, and finalized in the Final ROD.

We are providing detailed comments on the DSFEIS (see enclosure). We appreciate the opportunity to review the document(s) and will continue to work with the Forest Service to address NEPA, CWA and CAA compliance issues with the proposed project.

If you have any questions or concerns about these comments or recommendations, please contact Sarah Fowler at (303) 312-6192 with wetlands questions, Phil Strobel at (303) 312-6704 with water quality and quantity questions, Robert Edgar at (303) 312-6669 for air quality questions, or Nat Miullo at (303) 312-6233 for watershed ecology concerns.

Sincerely,

Cynthia Cody
Chief, NEPA Unit
Ecosystems Protection Program

Enclosure

cc: Ken Jacobson, COE Grand Junction
Brooks Carter, COE Bountiful
Sue Moyer, USFWS Grand Junction
Elaine Suriano, USEPA, Office of Federal Activities
Deanne Zwight, USFS, Lakewood
John Toolen, CDOW Grand Junction
Daniel Beley, CDPHE, Denver
Charlie Knox, San Miguel County, Telluride

Detailed Comments
Draft Supplement to the
Final EIS for the Telluride Ski Area Expansion

ENVIRONMENTAL COMMENTS

WETLANDS COMMENTS

The court approved settlement in U.S. v. Telluride Company, et al. requires the defendants, including Telski, to implement a Wetlands Management Plan that, among other things, includes strong policies to avoid and minimize further harm to wetlands in the project area.[1] The Management Plan is attached to the Consent Decree settling the case, and its requirements are binding on the defendants, their successors and certain others. The Consent Decree also stipulates that Nationwide Permit #26 does not apply at the project as a result of wetlands losses incurred in the recent years. Therefore, any regulated activities in waters of the U.S., including wetlands that require a permit from the Army Corps of Engineers will be processed under an individual permit (i.e. Public Notice). Regardless of the alternative chosen in the future, we will expect a pre-application meeting on-site and a public notice, including the documentation required by the Consent Decree (see below).

Part 5 of the Management Plan requires Telski to "examine all practicable alternatives to any activity which may **directly or indirectly** have an impact upon wetland size or function." It also requires the company to prepare "[a] list of all alternatives examined and a discussion as to the merits and limitations of each shall be prepared...and furnished to EPA...." In view of the expansion alternative (i.e., selected alternative) conceptually approved (before the settlement) in the June 15, 1996 Record of Decision (ROD) and the proposed wetlands impacts, we believe that Telski must generate additional information to demonstrate compliance with the avoidance and minimization requirements of Section 404(b)(1) Guidelines and the Consent Decree.

Appendix B of the FEIS contains a 404 (b)(1) Guidelines alternatives analysis prepared by the Consultants, Pioneer Environmental Services, Inc. We commend the Forest Service for evaluating alternatives and including the documentation in the NEPA document. As expressed in our scoping comments on the Telluride Ski Area Expansion (letter dated 22 July 1993), we

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[1] "Project" or "Project Area" shall mean that property, and any easements or interests therein, including but not limited to the ski area, golf course, and associated commercial, residential and recreational facilities owned or formerly owned by the Defendants in San Miguel County, Colorado, adjacent to Prospect, Skunk, and Adams Creeks, and any other unnamed tributary waters of the San Miguel River, indicated on Exhibit 1. Source: The Consent Decree in U.S. v The Telluride Company, et al.

believe that NEPA documents should provide sufficient information for the decision makers and the public to understand the project and its impacts, and support all Federal decision making processes. Our primary concern with the proposed wetlands impacts at this time is that, because of the new information developed since the ROD, additional avoidance and alternatives documentation will likely be required.

Recent site-specific wetland studies, including the Final Draft Ecological Characterization of Wetlands in Eastern San Miguel County, Colorado,[2] and the presence of fen-type wetlands in the upper Prospect Creek basin, show the critical importance of avoiding and minimizing adverse impacts.

We do not know if adequate information documenting the location of fens in the expansion area exists and request that fens containing histisols be mapped prior to any CWA 404 permit application. Fen-type wetlands are present within the wetland complexes in the Prospect Creek basin and have recently been designated by Region 6 of the Fish and Wildlife Service (USFWS) as Resource Category 1 with respect to the USFWS Mitigation Policy.[3] The mitigation goal of Resource Category 1 is *no loss of existing habitat value* and makes the protection of fens a priority during Section 404 permit reviews. Fens are wetlands that have primarily organic soil material (i.e., peats or muck) and are created over long time periods in ground water driven, saturated conditions. Because the rate of plant growth exceeds that of decomposition, organic soils form very slowly by accumulation of plant debris. Fens in the Rocky Mountains are believed to develop or accumulate at rates ranging from 4.3 to 16.2 inches per thousand years. In Colorado, the Corps of Engineers has revoked the use of Nationwide Permit #26 in fens containing histisols to better protect this unique wetland type.

Accordingly, we believe these wetland ecosystems are for all practical purposes non-renewable and irreplaceable. Mitigation for these wetlands types is highly problematic. Therefore, in accordance with the goal of no overall net loss of the nation's remaining wetlands base for the Section 404 regulatory program, we believe these unique aquatic resources are of critical ecological importance and should receive the highest regulatory scrutiny during permit review.

Although we recognize that the expansion area was designed to avoid wetlands impacts, based on the Consent Decree requirements and the importance of fens as an aquatic ecosystem, we remain concerned. Over 5 acres of wetlands impacts was conceptually approved in the Final Record of Decision (ROD) with additional unregulated activities falling within Activity Class 2.

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[2]Prepared by Science Applications International Corporation (SAIC) for Region VIII of the Environmental Protection Agency, dated March 13, 1998.

[3] Peatland Mitigation Policy Considerations, U.S. Fish and Wildlife Service, Region 6, December, 1997

We believe this proposed level of impact should be further reduced during site-specific design review in the 404 permit process. We recommend that the Forest Service consider a special condition in any future ROD that requires the following wetland concerns be addressed at a minimum to further protect the aquatic resources during design. As mentioned earlier, all documentation of direct and indirect impacts must be prepared for review by the EPA. We also suggest at this time that field flagging and photographic documentation be prepared for site review during the growing season. All ski area related construction activities within 150 yards of wetlands within the basin as well as any activities (e.g., snow making, trail grooming, etc.) within the wetlands should be described. Documentation of the practicability of less damaging alternatives for specific project features (i.e., ski runs etc) should be prepared by a qualified ski area design firm and should be similar in scope to the analysis prepared by SnoE on the Cropsy Mill site. Without clear, irrefutable rationale and expert documentation of the lack of practicable alternatives for these ski features, substantial redesign may be necessary to avoid direct and indirect adverse impacts to wetlands or wetland hydrology, especially in ecologically sensitive wetlands (i.e., fens) and sensitive ecological areas identified in the INSTAAR report.

Past adverse impacts to the wetland ecosystem, estimated at 45% loss, in the Mountain Village are disproportionate for the region and strongly suggest the need for increasing regulatory oversight of the remaining wetland resource base. Only through strict adherence to the Section 404(b)(1) Guidelines for proper impact avoidance, minimization, and mitigation in the evaluation of each proposed project will wetland losses be slowed.

WATER QUALITY COMMENTS

Instream Flows of the San Miguel River

Table 3.8 of the SDFEIS describes the "maximum instantaneous effect" of the project on the in-stream flows of the San Miguel River near Telluride. The maximum instantaneous effect is a critical parameter in this analysis because the instantaneous low flow is a key determinant of habitat capacity for fish and aquatic life. Because snow making takes place October through February, the effects on fish would be focused on fall spawners such as the brook trout and brown trout. Instantaneous low flow is the critical measure because, if a trout spawning bed is de-watered or left with insufficient water to protect against freezing for even one day, the eggs from that bed are lost to the system. Table 3.8 compares the existing flow condition (expressed as average daily flow for a given month) to the proposed future condition. By using average daily flow in this equation rather than using minimum daily flow, the DSFEIS is underestimating the maximum instantaneous effect. The FSFEIS should therefore use the average monthly low flow day for each month (Oct. - Feb.) using the 1992-1997 monitoring data in the maximum instantaneous effect calculation.

The DSFEIS uses the State-set minimum in-stream flow rate of 6.5 cfs as a management point for this document. We commend the Forest Service for making efforts to comply with this provision. The DSFEIS indicates that the State minimum in-stream flow was designed to protect

fish. We would like to see the Final document include some minimal background information on whether the state standard was set to protect fish from damaging metals concentrations, or to protect against lack of dilution of the impacts from waste water discharge at the Telluride plant, or to protect trout spawning, food production and nursery habitat. This background will help in making a determination of the level and significance of impact from flow reduction caused by the project.

The effects analysis in the DSFEIS with respect to in-stream flows appears to be incomplete. The document describes the *amount* of water depletion likely to result from the project, but does not analyze the environmental effects from this depletion (i.e. how much spawning, nursery, aquatic insect habitat will be lost as a result of the maximum instantaneous effects of this action). Similarly, the water quality effects section (beginning on p. 3.26) of this document describes the increased metal concentrations expected in the San Miguel River, but fails to disclose the environmental consequences of these increased concentrations. The document should analyze whether maximum instantaneous effect to flow will increase metals concentrations beyond the acute effects level for the trout species present. NEPA regulations (40 CFR 1508.8) define effects to include "...effects on natural resources and on the components, structures, and functioning of effected ecosystems...." The Forest Service's recent 1998 DEIS for the Arapaho Basin ski area includes a good analysis of the ecosystem effects from projected decreased stream flows.

The lack of effects analysis with respect to water depletion is of primary concern to EPA as well as many local stakeholders in the basin. EPA is aware of at least one current in-stream flow analysis that is characteristic of the type of monitoring that is needed throughout the San Miguel basin in order to accurately and adequately assess the in-stream flow impacts to the river from the intensive growth and recreational development. This specific project, which is down stream from the confluence of Prospect Creek and the San Miguel River, is currently being conducted by the Nature Conservancy, Dr. David Cooper of CSU, the BLM and USGS. The on-going studies are scheduled to be completed by the spring of 1999 and in-stream flow recommendations may be made after 2000. This effort includes and is associated with detailed mapping of the various vegetation communities of the San Miguel mainstem riparian area. This holistic analysis of impacts to the river are necessary in order to document the multiple impacts from changes in flow, which have proven to be rather intense based on historical data presented below. As historical trends indicate, stream flow reduction has occurred without holistic assessment of the potential impacts. EPA suggests the USFS and any other in-stream flow user minimize additional flow diversions until such time as the information from in-stream flow assessments, such as those currently under way, are complete.

The maximum instantaneous effect on in-stream flow is also of critical importance to the Telluride Municipal Waste Water Treatment Plant. The pollutant discharge limits for the plant are based on the State-set minimum flow level of 6.5 cfs. If San Miguel flows drop below that minimum flow, water quality standards may be exceeded, potentially requiring Telluride to upgrade its facility.

The appeal decision requires the Forest Service to look at the "cumulative effects of water depletion." NEPA regulations (40 CFR Part 1508.7) define a cumulative impact as "the impact on the environment which results from the incremental impact of the action when added to past, present, and reasonably foreseeable future actions regardless of what agency (Federal or non-Federal) or person undertakes such actions." With respect to in-stream flows in the DSFEIS, the Forest Service has addressed the present situation as well as the reasonably foreseeable future situation, but has not adequately disclosed past actions. The earliest readily available data for the San Miguel River flows that we could find came from the USGS web site (http://nwis-colo.cr.usgs.gov/hs-cgi/gen_stn_basin?basn_code=09). Data are available for the period from 1959 - Sept. 1965 from a USGS gauging station 09171200 "near Telluride" located just downstream of the 145 bridge, below the confluence with Prospect Creek but above the confluence with the South Fork. The table below compares these data to the current condition as expressed in the DSFEIS.

Average Daily Flow (cubic feet per second)

	Oct	Nov	Dec	Jan
Past: Oct. 1959 - Jan. 1965 (USGS Station 09171200)	29	23	17	15
Present: Oct. 1992 - Apr. 1997 (DSFEIS Table 3.7)	18.5	13.8	11.4	10.1
Proposed Future Average Condition (DSFEIS Table 3.7)	18.3	13.2	11	10
Incremental Average Effect of the Project (present cond./future cond.)	**- 1%**	**- 4%**	**- 4%**	**- 1%**
Cumulative Effect to In-stream Flow (future cond./past cond.)	**-45%**	**-51%**	**-48%**	**-33%**

Clearly this reach of the San Miguel River has had significant cumulative effects from reduced flow prior to this project proposal. All additional effects from this project will therefore also be significant and require mitigation. The EPA supports the use of storage ponds and other measures suggested in the FEIS to partially mitigate these additional effects.

The "Cumulative Effects" section on page 3.31 indicates that in-stream flows may increase if the town of Telluride switches its water source to Blue Lake. Blue Lake is still in the San Miguel drainage upstream of Telluride and discharges to a tributary of Bridal Veil Creek. This switch would not decrease the effects to in-stream flows at or below the town of Telluride. In fact, as the Telluride community grows, we would expect the demand for water to grow, thereby increasing the impact to San Miguel River flows over time.

TMDL/Water Quality Concerns

There is new information regarding water quality impaired streams since the FEIS. Section 303(d) of the Clean Water Act directs the State of Colorado to identify waters needing additional controls beyond baseline (technology) requirements to meet water quality standards (WQSs). The State is required to submit a list of water quality-limited waters to EPA for which total maximum daily loads (TMDLs) have yet to be developed. The State is then required to establish TMDLs on these State waters. Colorado has developed a list of impaired and threatened waterbodies, as required by Section 303 of the CWA, and EPA regulations and guidance documents. The San Miguel River is found on the 1996 (August) and 1998 Colorado 303(d) list of impaired waters. Data provided in the DSFEIS regarding in-stream flow indicates that the proposed and preferred alternatives do have the potential to increase the total number and intensity of WQSs exceedances. The Forest Service has recognized that these streams currently exceed WQSs and do not have reserve capacity for additional impacts. The Forest Service should be prepared to assist the State in meeting its obligations under the Clean Water Act and should be prepared to meet its federal obligations under CWA Sections 313 and 319.

> **SECTION 313** - Requires Federal Agencies engaged in any activity resulting, or which may result, in the discharge or runoff of pollutants to comply with all Federal, State and local water pollution control requirements, whether substantive or procedural.
>
> **SECTION 319** - Authorizes the States to prepare State Nonpoint Source Pollution Assessment Reports and develop State Nonpoint Source Pollution Management Programs. This section also requires that Federal programs that could have an effect on the purposes and objectives of the State's nonpoint source pollution management program be consistent with it.

The Clean Water Act clearly gives the State authority to determine the uses and WQSs for the waters of Colorado. We encourage coordination with Colorado TMDL and WQSs efforts by contacting Sarah Johnson at (303)692-3609.

Further, the TMDL process identifies the maximum load of a pollutant (e.g., sediment, nutrient, metals) a waterbody can assimilate and fully yet support its designated uses; allocates portions of the maximum load to all sources; identifies the necessary controls that may be implemented voluntarily or through regulatory means; a margin of safety (a monitoring plan and associated corrective feedback loop to insure that uses are fully supported), and seasonality, if necessary. Generally, in situations such as nonpoint source activities, the solution will require Best Management Practices (BMPs) or Adaptive Management Techniques (AMTs) to reduce the loading or WQS exceedances, it may or may not require adjustment for seasonal impacts, and the margin of safety is defined in terms of a monitoring program, including a feedback system to determine if the BMP/AMT are effectively reducing the impact. EPA would like to request that all monitoring data preformed under this NEPA document, and any subsequent or tiered documents, be uploaded to a national water quality database such as the new STORET. If you

need assistance or further information, please contact the Region VIII water quality data base administrator, Marty McComb, at (303)312-6963.

EPA Region VIII has begun to develop a draft procedure for federal participation in watershed TMDL activities. We suggest that, if known or possible to develop, the following elements be included in the forest-wide standards and guidelines. TMDLS can be included in all documents where an activity may impact water quality, such as water quality planning documents (including NEPA documents), master development plans, resource management plans, watershed management plans, and habitat conservation plans.

I. Summary:
Description of the waterbody, impairments, stakeholders, statement of intent to submit to the State.

II. Problem Characterization:
- Waterbody Description
  - Maps, Specific waters to be addressed, rationale for scale of TMDL
- Pollutant(s) of Concern
- Use Impairments or Use threats
- Probable Sources

III. TMDL Endpoint:
- Description of Endpoints
- Endpoint links to State Water Quality Standards

IV. TMDL Analysis and Development:
- Data Sources
- Analysis techniques or models
- Geographic Location of TMDL
- Margin of Safety (monitoring effort)

V. Allocation of TMDL Loads or Responsibilities:
- Load Allocation
- Allocation of Responsibility

VI. Schedule of Implementation

VII. Post-Implementation Monitoring:
- Description of Proposed Monitoring

VIII. Public Participation:
- Summary of Public Review

WATERSHED ECOLOGY COMMENTS

EPA would like to commend the USFS for both its conceptual and specific project support of the San Miguel Watershed Coalition and Source Water Protection efforts over the last several years. EPA looks forward to continued support and to building up this relationship for specific results in the future.

While the San Miguel Watershed Plan, its associated objectives and potential actions, are not a regulatory reference with which NEPA requires compliance, it is a broad based, collaborative community-agreed upon approach. It provides a context for decision making that supports cumulative effects assessments, and provides potential actions that set examples for natural resource restoration and preservation. Several of the features and guiding principles of the Plan, to which the USFS has committed support, include preservation of the rare ecological resources of this watershed, including Prospect Basin. This general concern for ecological preservation, coupled with the potential water quality and water quantity impacts from snow making, sedimentation, nonpoint source pollution, and habitat destruction, illustrate the importance of a careful conservation approach. We believe that such an approach is not currently embodied by the selected alternative in the ROD. EPA recommends that the visions and objectives of the Watershed Plan present a local ecosystem stewardship value that supports consideration of a less impactive alternative to this specific ski area expansion in an ecologically sensitive alpine basin.

Alpine Assessment & Land Use Code adoption by San Miguel County

The research conducted by INSTAAR mapped landscape type and associated water quality parameters. The results of the study indicated water quality concerns and ecological sensitivity maps were prepared. The assessment revealed significant and disconcerting levels of nitrate in the alpine basins, an indicator that air deposition may be adversely impacting these relatively pristine area. Additional water quality issues addressed were sensitivity to acidification, trace metals, and nutrient enrichment. These findings were used to develop Land Use Code amendments by San Miguel County which included limits on road width and building footprints, and bans on septic systems and landscaping with non-native species.

The 1998 INSTAAR report identifies several scientific references that help decision makers understand impacts caused by growth and development. Included in these reports are unprecedented recreational tourism and the growth of mountain towns and their resulting impacts to fragile high-elevation ecosystems and water resources. These areas (such as and particularly Prospect Basin and its adjacent area, Alta Lakes) are more sensitive to ecological stressors than downstream systems due to high levels of precipitation, large areas of exposed bedrock, rapid hydrological flushing during runoff, and limited soils and vegetation. The INSTAAR report references concerns that population increases have already resulted in over-appropriation of water and reduction of in-stream flows in the Upper San Miguel River below quantities necessary

to support fish habitat. One stated objective of the Alpine Assessment is to work with local stakeholders in an attempt to prevent future degradation of pristine alpine headwater catchments in the San Miguel River drainage while providing for reasonable economic and recreational activities. Additional objectives are to:

> Provide a spacial framework to study and evaluate ecosystem processes by mapping important landscape units;
> Develop water quality indicators of current ecosystem health and sensitivity to anthropogenic change;
> Provide geographically-referenced data for resource managers and concerned citizens to make informed decisions; and
> Use the information as the basis for developing planning decisions designed to protect headwater catchments from future degradation.

The USFS has within its mission similar and parallel objectives. EPA believes that the findings of this effort can be used as a scientific tool not only to reassess this highly impactive proposed ski area expansion for Prospect Basin, but also to consider the reasonably foreseeable growth and associated ecological and water quality degradation for the basin adjacent to this area, the Alta Lakes area.

EPA commends Telski, the GMUG Forest Supervisor and staff for stated commitments to this approach of ecological stewardship and in efforts for development of a final implementation plan to comply with these requirements. EPA specifically commends the USFS for taking these efforts and new information into consideration in the DSFEIS (pgs 3.29 & .30). However, EPA has several specific concerns that have not been adequately addressed by the DSFEIS.

1. The County's and INSTAAR's Prospect Basin Ecological Sensitivity map is currently under Phase 2 project review for validation of landscape type boundary, location and ecologically sensitive area designation. The extent of potential change from that of the existing map that the USFS used in its impact assessment in the DSFEIS is unknown at this time. No final determination on extent of change can be made until the Phase 2 maps are available from the South Western Data Center, in Ridgeway, Colorado, later this year. EPA recommends the USFS not make any final determination until such time as this new information is available. This would allow the development and evaluation of a much less impactive alternative for the expansion and development of this ecologically rare and valuable alpine basin.

2. The Forest Service option that would be approved by the ROD identifies several miles of road that would need to be constructed and maintained in order to provide equipment and personnel access. No road design specifications have been given to determine if the Land Use Code restriction of ten-foot wide roads can be met.

3. EPA could not determine the footprint size of the facilities (cafeterias, restaurants, etc.) planned for the recommended alternative. Please identify if this has been evaluated in the FEIS, DSFEIS, or other documents. The Land Use Code Restriction specifies a footprint for buildings of no more than 800 square feet and no basement structures.

4. While the intention to pipe grey water and sewage away from the site addresses the restriction concerned with adding nitrate and phosphorous (from septic systems) to the ecologically sensitive areas, it is not consistent with the intended restrictions for minimal perturbation of landscape types in the sensitive areas. A less impactive alternative could limit the number, size and capacity of such facilities, requiring area users to better plan activities and associated impacts to this ecologically sensitive basin.

5. The approach outlined by the DSFEIS includes mitigation efforts and Best Management Practices (BMPs) that have not been proven effective at minimizing impacts to these types of sensitive areas. The BMPs include, but are not limited to, unspecified minimized fertilizer application rates, sediment/silt fencing and/or excelsior logs, minimum facility buffer distances from wetlands, intermittent or perennial stream channels, disturbed top soil stockpiling, seasonal site reclamation schedules (prior to winter), hand dug and helicopter set lift towers, span designs to avoid impacts to wetlands, etc. However, the DSFEIS states that in the cases of the Prospect Basin Lift and Lift 15, significant excavation and fills and the magnitude of disturbance will result in potential for increased runoff and erosion.

   The DSFEIS concludes that these projects will likely contribute to some increased eutrophication impacts down stream. The DSFEIS does not attempt to quantify the impact nor does it outline specific mitigation measures to be taken (i.e. site construction maps delineating specific regrading boundaries and the extent of buffer zones, standard operating procedures and specifications for placement and maintenance of sediment filters and trail cross-drainage features, etc.).

   Because these landscape types are sensitive to perturbations, BMPs and construction work should be developed and included in any final decision made available for comment, prior to a final decision and implementation.

   Again, EPA's recommendation is to design an alternative that does not allow such intensive and impactive disturbances to occur in these areas in order to minimize the potential for failure of the mitigation measures.

6. The intensive construction efforts and associated mitigation and BMP approaches are inconsistent with the intended approach of the County's Land Use Restrictions. Mitigation was not the intended approach, but restrictions to land perturbations are explicitly identified by the County Codes. The USFS has expressed support for a

watershed protection approach in the San Miguel Basin (as stated above) and should carry out this commitment to the fullest possible extent. As such, EPA encourages that a less intrusive alternative, dependant on specific BMPs and mitigation efforts be studied, defined and implemented in order to prevent any intrusion into these sensitive areas.

CUMULATIVE IMPACTS

Off-Site Growth Inducing Impacts of Land Exchanges (p. 4.26)

The DSFEIS does not include any information on economic nor, specifically, environmental impacts "from past, present and reasonably foreseeable future land exchanges" as required as a result of the appeal. One example of economic cost benefit information that is needed includes a cost benefit analysis that considers the costs of infrastructure and facilities that will be needed to support the increased recreational facility worker, contractor population, residential and development support population which is likely to be a result of this highly impactive expansion alternative. Such facility costs that are not identified include, but are not limited to, road improvements, convenience outlets, sewage treatment, water supply, operation and maintenance, etc.

Specific to the appeal, there is no information provided regarding past land exchanges nor the associated environmental impacts. Second, those foreseeable land exchanges that are discussed do not include any information on environmental impacts. NEPA regulations (40 CFR 1508.8) define impacts to include "...effects on natural resources and on the components, structures, and functioning of effected ecosystems...." Recent conversations with the Forest Service indicate that all proposed land exchanges have been dropped until and unless the community can be brought into concurrence with the exchanges. Given the controversial nature of the proposed exchanges, the likely growth-inducing effects of such exchanges, and the sensitivity of lands in the Telluride area (including but not limited to Alta Lakes), we request that any of these land exchanges that are eventually brought forward be handled through the NEPA process as EAs or EISs as appropriate. The use of categorical exclusions would not require the Forest Service to analyze or publically disclose the environmental effects of such measures. The public process associated with NEPA is required when a Federal action is likely to result in significant environmental impacts, or the effects are controversial, or based on the unique characteristics of a geographic area. Certainly, the land exchange proposals listed in this DSFEIS meet those criteria.

Though the Forest Service has at least temporarily rejected the most recent land exchange proposals, we are concerned that the likely cumulative effects to wetlands, water quality and wildlife habitat associated with the project can not be assessed without an understanding of the critical ecosystem components in the developable lands surrounding the ski area. The intent of the appeal decision requiring analysis of related environmental impacts might be met by discussing the ecosystem components that would be threatened by future development. Such an analysis would be the only way to assess the cumulative and critical or irretrievable impacts to

the ecosystem from this project. We would expect the environmental effects analysis to include the potential for impacts from development of these lands including: potential impacts to water quality at Alta Lakes, the San Miguel River, and to groundwater; potential impacts to migrating and resident waterfowl; potential impacts to wildlife habitat and migration corridors; potential for impacts to wetlands.

The Council on Environmental Quality published in the Federal Register Vol. 46, No. 55, the "40 Most Asked Questions" concerning NEPA. The answer to Question 18 below is quite helpful with respect to the level of analysis required in assessing land transactions.

> 18. Q. How should uncertainties about indirect effects of a proposal be addressed, for example, in cases of disposal of federal lands, when the identity or plans of future landowners is unknown?
>
> A. The EIS must identify all the indirect effects that are known, and make a good faith effort to explain the effects that are not known but are "reasonably foreseeable." Section 1508.8(b). In the example. if there is total uncertainty about the identity of future land owners or the nature of future land uses, then of course, the agency is not required to engage in speculation or contemplation about their future plans. But, in the ordinary course of business. people do make judgments based upon reasonably foreseeable occurrences. It will often be possible to consider the likely purchasers and the development trends in that area or similar areas in recent years; or the likelihood that the land will be used for an energy project. shopping center, subdivision, farm or factory. The agency has the responsibility to make an informed judgment, and to estimate future impacts on that basis, especially if trends are ascertainable or potential purchasers have made themselves known. The agency cannot ignore these uncertain, but probable, effects of its decisions.

COMMENTS ON THE AIR QUALITY ANALYSIS

General Comments:

7. Table 2.7 Comparisons of Alternatives - Table 2.7. Recommend that this table show a comparison of the environmental impacts according to which alternative is chosen. Wetland impacts have already been included in the table; however, air quality, water quality, groundwater, soils, vegetation, and wildlife impacts are missing. In addition, compare these impacts to today's environment.

For the air quality under the proposed action, note that the 24-hour PM_{10} standard is expected to be exceeded.

8. Page 4-37, Air Quality Modeling - "The maximum concentrations predicted by the model were 173 μg/m3 for No Action and 184 μg/m3 for the Action Alternative without mitigations. The incremental difference in concentration for the Action Alternative over No Action was 11 μg/m3 with no mitigation."

   Recommend that the Action Alternatives be compared to the Baseline condition rather than the No Action alternative in the year 2015. Growth may be limited if no new facilities are added at Telluride, and therefore, the forecasting of growth could be erroneous. Changes in the environment due to the action alternatives can be understood better by comparing future action alternatives with today's environment (i.e., baseline) rather than a No Action future environment.

Specific Comments:

1. Page 4-34, Air Quality - Background. "Understanding the assumptions, definitions and processes discussed with the Final EIS and other related documents, such as previously published technical reports (EWP 1996; MERCO 1996), is essential in understanding the context of the report." Are these technical reports available to the public?

2. Page 4-34, Air Quality - Background. Recommend that Telluride's attainment status with respect to national and state air quality standards be discussed in this section. Is Telluride in attainment with the PM_{10} standard?

3. Page 4-35, Introduction. "Additional sources of PM_{10} in the Telluride region other than transportation, such as wood burning and point sources, were assumed to remain constant between the No Action Alternative and the Action alternative." As discussed in the general comments, a comparison between today's environment and the action alternatives should be made. How much more wood burning is expected to occur under the action alternatives when compared to today's levels?

2. Page 4-35, Introduction. "The design period selected for this study was March 6 through March 18, 1996." Recommend that at least one year's worth of meteorological date be used in the dispersion modeling.

3. Page 4-35, Snowcats, Restaurants, and Fireplaces. "It was also assumed that the number of woodstoves in the town would be reduced to 200 by the year 2015 and the number of the charbroilers would double (McDonald 1997). Recommend that more information be provided as to why the number of woodstoves are expected to be reduced..

4. Page 4-36, Construction Impacts. "Because each phase of the project requires a special

permit, the impact from the construction activity was not considered in this analysis." The Environmental Impact Statement should estimate the air quality impacts due to the construction activities. Since these activities are expected to occur over a 10-year period, these impacts would likely occur during the ski seasons. Will these special permits consider the impacts of these construction activities on attainment in the Telluride area?

5. Page 4-36, Construction Impacts. "The State of Colorado has generally considered that intermittent activities, such as construction that creates dust in or near PM_{10} non-attainment areas, are considered to be in conformity if they occur outside the high pollution season." Please provide a reference for this statement.

6. Page 4.36, Summary of PM_{10} Emissions - Please note in this section that PM_{10} emissions are expected to increase by 90 percent over the baseline year (note which year is considered baseline).

7. Page 4.38, Potential Mitigation Strategies. "Following is a list of most ... offset the proposed 11 $\mu g/m^3$ increase in PM_{10} concentrations due to the Action Alternative."

   According to the air quality modeling results, the action alternative was 34 $\mu g/m^3$ over the PM_{10} 24-hour standard of 150 $\mu g/m^3$. Recommend that the effectiveness and cost of the varying mitigation measures be discussed so that the decision maker will have information on which to base a decision and the public along with public officials will have information on which to comment.